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October 11, 2012

Via certified mail / Return receipt requested

Lisa Jackson, Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Attorney General
U.S. Department of Justice
Citizen Suit Coordinator
Room 2615
950 Pennsylvania Avenue, N.W.
Washington, DC 20530-0001

Re: *California Sportfishing Protection Alliance et al v. Syar Industries, Inc.*, Case No. 2:09-cv-02745-GEB-EFB – Settlement Amendment; 45-day review

Dear Citizen Suit Coordinators,

On October 11, 2012, the parties in the above-captioned case entered into an amendment to the settlement agreement previously reached between the parties on March 3, 2010. Pursuant to the terms of the settlement agreement and 40 C.F.R. § 135.5, the enclosed amendment to the settlement agreement is being submitted to the United States Environmental Protection Agency and the U.S. Department of Justice for a 45-day review period. If you have any questions regarding the settlement agreement, please feel free to contact me or counsel for Defendants listed below. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Doug J. Chermak', is written over a white background.

Douglas J. Chermak
Lozeau Drury LLP

Attorneys for Plaintiffs California Sportfishing Protection Alliance
and Northern California River Watch

cc via First Class Mail: Jared Blumenfeld, Regional Administrator, EPA Region 9
cc via e-mail: Christopher Carr, Counsel for Defendants (415) 543-4111
Laurie Kermish, EPA Region 9

Enclosure

ATTACHMENT

**AMENDMENT TO SETTLEMENT AGREEMENT
AND MUTUAL RELEASE OF CLAIMS**

This Amendment to Settlement Agreement and Mutual Release of Claims (“Amendment”) is entered into between California Sportfishing Protection Alliance and Northern California River Watch (collectively “CSPA”) and Syar Industries, Inc. (“Syar”), (collectively, the “Parties”) with respect to the following facts and objectives:

WHEREAS, the Parties are party to a Settlement Agreement and Mutual Release of Claims (“Agreement”);

WHEREAS, the Parties desire to amend the Agreement as set forth herein;

WHEREAS, except where explicitly stated herein, all terms and conditions to the Agreement remain in effect and are incorporated herein;

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CSPA and Syar, by and through their authorized representatives, agree as follows:

1. Extension of Agreement: The termination date of the agreement set forth in Paragraph 24 shall be changed from December 1, 2012, to December 4, 2014. Paragraph 24 of the Agreement is hereby amended and restated in its entirety as follows:

“This AGREEMENT shall terminate on December 4, 2014.”

2. Additional Sampling and Monitoring: The Parties agree to include additional sampling and monitoring during the 2012-2013 and 2013-2014 wet seasons. The first sentence of Paragraph 7 of the Agreement is hereby amended and restated in its entirety as follows:

“Syar agrees to perform the additional monitoring described herein during the 2009-2010, 2010-2011, 2011-2012, 2012-2013, and 2013-2014.”

Paragraph 7(a) of the Agreement is hereby amended and restated in its entirety as follows to include the following sentence after the second sentence:

“During the 2012-2013 and 2013-2014 wet seasons, Syar shall sample and analyze storm water discharges from three (3) qualifying storm events that result in discharge consistent with the requirements and protocols set forth in the General Permit.”

3. Feasibility Study and Implementation of Structural BMPs

On or before February 1, 2013, Syar will provide CSPA with a written memorandum of its evaluation of the efficacy and feasibility of:

- a. converting the Lake Herman facility into a no-discharge facility;

- b. significantly reducing the volume of storm water discharges from the facility; and
- c. installing “media filtration treatment systems” (as requested in CSPA’s letter of September 24, 2012).

The memorandum will identify Syar’s selected approach or approaches, which shall not preclude Syar from installing new, modified, and/or additional BMPs to reduce pollutants in storm water. CSPA shall meet and confer over the sufficiency of the selected approach or approaches pursuant to Paragraph 12 of the Settlement Agreement. Syar shall implement the agreed-upon approach or approaches by October 1, 2013. If the approach or approaches resulting from the meet and confer process is not implemented by October 1, 2013, such failure shall constitute a violation of this Settlement Agreement. Such a violation shall constitute a violation of Section 301 of the Clean Water Act for which CSPA may seek declaratory relief, injunctive relief, and civil penalties pursuant to section 309 of the Clean Water Act. Any action by CSPA with respect to such violation is not subject to the Dispute Resolution Procedures set forth at sections 25-26 of the Settlement Agreement.

No Party shall be considered to be in default in the performance of any of its obligations when a failure to perform is due to a “Force Majeure.” A Force Majeure event is any act of God, war, fire, earthquake, flood, and restraint by court order or public authority. A Force Majeure event does not include normal inclement weather or inability to pay. Any Party seeking to rely upon this paragraph shall have the burden of establishing that it could not reasonably have been expected to avoid, and which by exercise of due diligence has been unable to overcome, the Force Majeure.

4. Additional Oversight Costs: Syar agrees to provide additional oversight costs for monitoring and meeting and conferring during the 2012-2013 and 2013-2014 wet seasons. The last sentence of Paragraph 18 of the Agreement is hereby amended and restated in its entirety as follows:

“Up to five annual payments (one addressing any monitoring associated with the 2009-2010 wet season, one addressing monitoring associated with the 2010-2011 wet season, one addressing monitoring associated with the 2011-2012 wet season, one addressing monitoring associated with the 2012-2013 wet season, and one addressing monitoring associated with the 2013-2014 wet season) shall be made payable to “Lozeau Drury LLP Attorney-Client Trust Account” within thirty (30) days of receipt of an invoice from CSPA which contains an itemized description of fees and costs incurred by CSPA to monitor implementation of the SETTLEMENT AGREEMENT during the previous twelve (12) months.”

5. Approval of this Amendment and Stipulation to Court: Within 5 (days) after this Amendment has been signed, CSPA shall send a copy of the Amendment to the United States Environmental Protection Agency and the U.S. Department of Justice for a 45-day review period pursuant to 40 C.F.R. § 135.5. In the event that the Agencies comment negatively on the provisions of this Amendment, the Parties agree to meet and confer to attempt to resolve the issue(s) raised by the Agencies. Upon completion of that period, the Parties shall file a stipulation and proposed order with the United States District Court requesting that Court maintain jurisdiction over this action through December 4, 2014.

6. Counterparts: This AGREEMENT may be executed in any number of counterparts, all of which together shall constitute one original document. Telecopied, scanned (.pdf), and/or facsimiled copies of original signature shall be deemed to be originally executed counterparts of this AGREEMENT.

The PARTIES hereby approve this Amendment:

Date: _____, 2012

SYAR INDUSTRIES, INC.

By: Michael D. Corrigan
Title: Assistant General Counsel

Date: _____, 2012

CALIFORNIA SPORTFISHING
PROTECTION ALLIANCE

By: Bill Jennings
Title: Executive Director

Date: _____, 2012

NORTHERN CALIFORNIA RIVER
WATCH

By: Lisa Mador
Title: Secretary, Board of Directors

APPROVED AS TO FORM:

For DEFENDANT

Date: October 11, 2012

MORRISON & FOERSTER LLP

By: Christopher J. Carr, Esq.

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SYAR INDUSTRIES, INC.

By: Michael D. Corrigan
Title: Assistant General Counsel


Date: _____, 2012

CALIFORNIA SPORTFISHING
PROTECTION ALLIANCE

By: Bill Jennings
Title: Executive Director

Date: Oct. 10., 2012

NORTHERN CALIFORNIA RIVER
WATCH



By: Lisa Mador
Title: Secretary, Board of Directors

APPROVED AS TO FORM:

For DEFENDANT

Date: _____, 2012

MORRISON & FOERSTER LLP

By: Christopher J. Carr, Esq.

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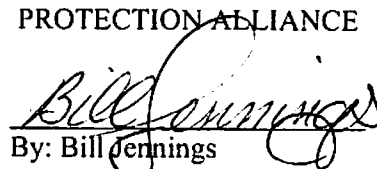
Date: _____, 2012

SYAR INDUSTRIES, INC.

By: Michael D. Corrigan
Title: Assistant General Counsel

Date: 11 Oct, 2012

CALIFORNIA SPORTFISHING
PROTECTION ALLIANCE


By: Bill Jennings
Title: Executive Director

Date: _____, 2012

NORTHERN CALIFORNIA RIVER
WATCH

By: Lisa Mador
Title: Secretary, Board of Directors

APPROVED AS TO FORM:

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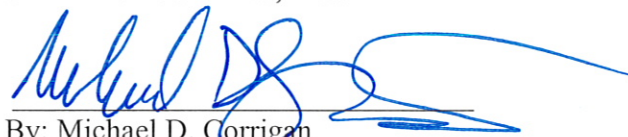
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SYAR INDUSTRIES, INC.



By: Michael D. Corrigan

Title: Assistant General Counsel

Date: _____, 2012

CALIFORNIA SPORTFISHING
PROTECTION ALLIANCE

By: Bill Jennings

Title: Executive Director

Date: _____, 2012

NORTHERN CALIFORNIA RIVER
WATCH

By: Lisa Mador

Title: Secretary, Board of Directors

APPROVED AS TO FORM:

For DEFENDANT

Date: _____, 2012

MORRISON & FOERSTER LLP

By: Christopher J. Carr, Esq.

Date: October 10, 2012

For PLAINTIFFS

LOZEAU | DRURY LLP


By: Michael R. Lozeau, Esq.